



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

August 4, 2005

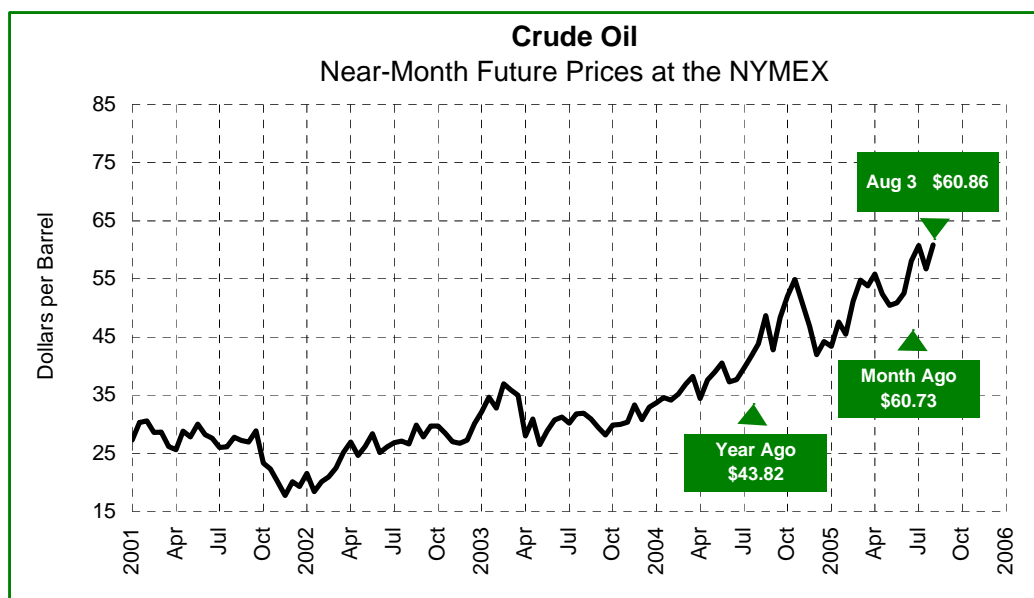
Crude Oil

On August 3, NYMEX crude oil futures settled at \$60.86, an increase of \$0.13 per barrel from the previous month, but \$17.04 or 39% higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>08-03-05</u>	<u>07-07-05</u>	<u>change</u>	<u>08-02-04</u>	<u>change</u>
NYMEX	\$60.86	\$60.73	up 1%	\$43.82	up 39%

- Crude oil futures for August delivery on the NYMEX settled at \$60.86 per barrel on August 3 following two days of volatile trading setting a new intra-day high of \$62.30 per barrel on August 1. Factors supporting higher crude prices include the death of Saudi Arabia's King Fahd and supply worries following several US refinery issues. Also, a revised forecast for this year's hurricane season prompted strong buying in the energy complex. A prediction of as many as 21 tropical storms and 11 hurricanes has been issued which could disrupt refinery operations in the Gulf Coast Region.
- Domestic crude oil stocks improved by 0.2 million barrels to 318 million barrels for the week ending July 29. Stocks increased due to strong imports of nearly 11 million barrels per day, the third highest level on record. Refinery utilization rates improved just slightly over 93 percent of capacity. Crude supplies are well above the 5-year average for this time of year.



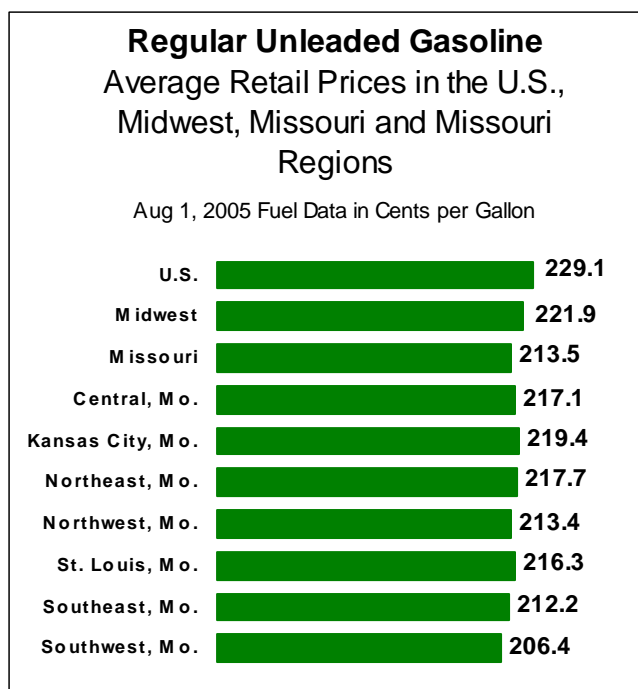
Transportation Fuels

On August 1, Missouri's average retail price for regular unleaded gasoline was \$2.13 per gallon, a 21 percent increase from last year at this time. Missouri's average diesel price fell by \$0.01 to \$2.25 per gallon from last month, but is still 32 percent higher than last year.

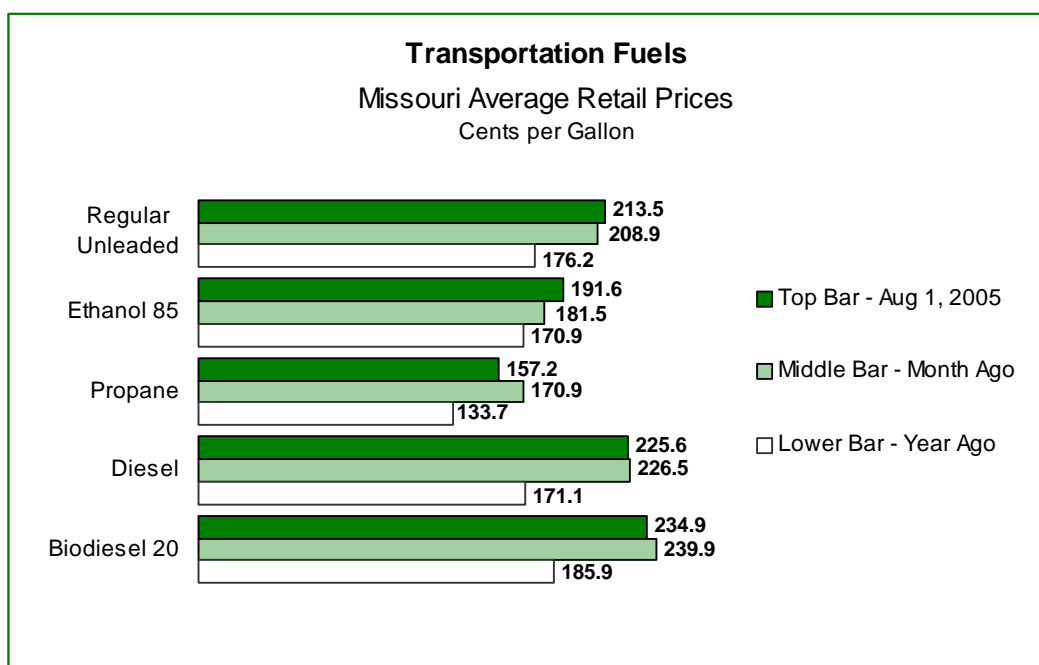
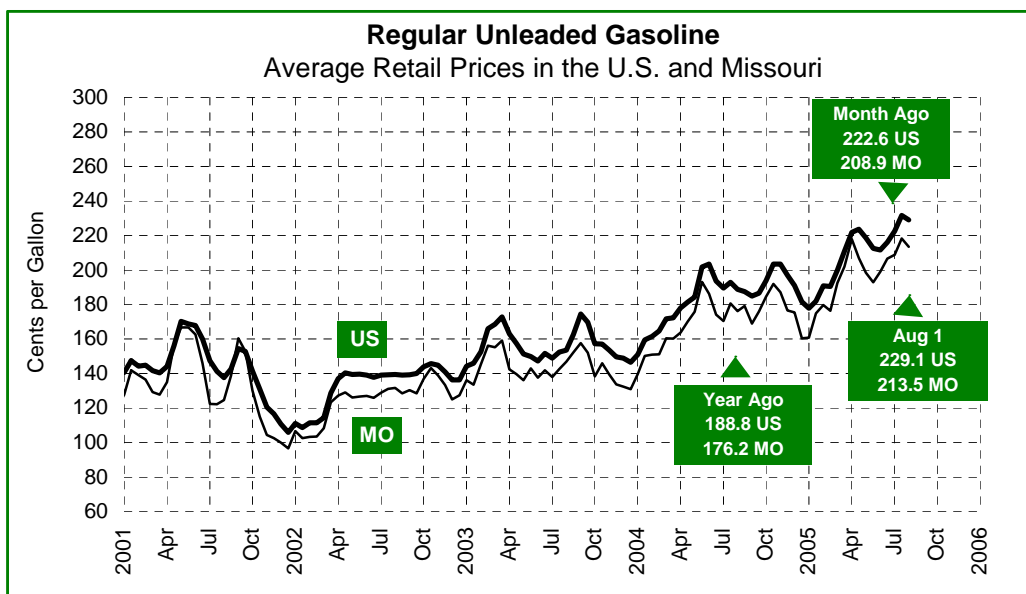
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>08-01-05</u>	<u>07-04-05</u>	<u>change</u>	<u>08-02-04</u>	<u>change</u>
US	229.1	222.6	up 3%	188.8	up 21%
Missouri	213.5	208.9	up 2%	176.2	up 21%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>08-01-05</u>	<u>07-04-05</u>	<u>change</u>	<u>08-02-04</u>	<u>change</u>
Missouri	225.6	226.5	down 1%	171.1	up 32%

- Retail gasoline prices in Missouri are about 5 cents below the record price of \$2.18 per gallon set on July 18. At \$2.13 per gallon, the average retail price is up by 2 percent from last month and 21 percent higher than at this time last year.
- For the week ending July 29, the average U.S. retail price for regular gasoline increased 2 cents to \$2.29 per gallon while Midwest prices increased by \$0.02 to \$2.21 per gallon.



- Missouri's average retail price for diesel fuel is \$2.25 per gallon, 6 cents under the all-time record of \$2.31 per gallon set on July 18. Missouri diesel fuel prices are about 32 percent higher compared to last year at this time. The average U.S. retail diesel fuel price was \$2.35 per gallon, or \$0.06 under the record price of \$2.41 per gallon set on July 11.



Motor Gasoline - Total Stocks (millions of barrels)					
	07-29-05	07-01-05	change	07-30-04	change
US	205.2	215.3	down 5%	210.1	down 2%

- For the week ending July 29, U.S. gasoline supplies fell 4 million barrels to 205.2 million barrels, as both U.S. gasoline production and imports fell by nearly 0.1 million barrels per day. This was the largest decline in U.S. gasoline supplies since August 2003. Gas supplies are 4.9 million barrels below last year's level at this time and stand 2 percent below the 5-year average. Implied demand was very strong at 9.6 million barrels per day, up by nearly 0.2 million barrels from the prior week.

- Distillate stocks, which include heating oil and diesel fuel, increased 1.5 million barrels to 127.3 million barrels. Production continues above 4.3 million barrels per day, while imports remained strong at 0.2 million barrels per day. Implied demand was 4.1 million barrels per day, up 0.2 million barrels per day over last year at this time.

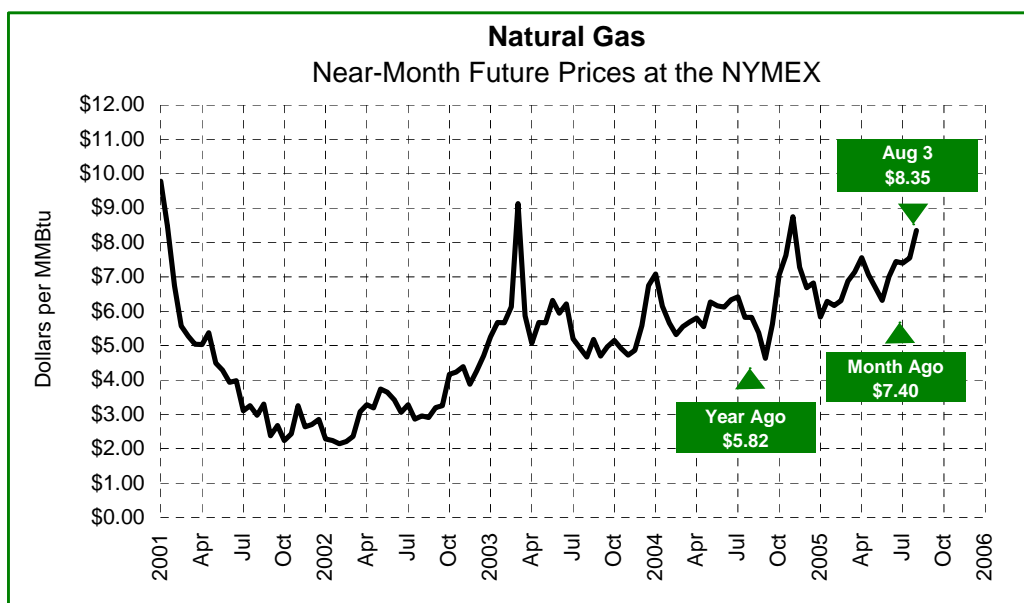
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On August 3, natural gas futures closed at \$8.35 per MMBtu, an increase of \$0.95 since last month and \$2.53 or 44% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	08-03-05	07-07-05	change	08-03-04	change
NYMEX	\$8.35	\$7.40	up 13%	\$5.82	up 44%

- According to the EIA *Weekly Natural Gas Storage Report*, natural gas spot prices increased sharply last week throughout the U.S. for the week ending August 3 in response to very hot and humid conditions that resulted in much higher natural gas-related electric power generation to meet air-conditioning demand.
- According to the EIA, U.S. working gas in underground storage was 2,420 Bcf as of July 29, which is 7.6 percent above the 5-year average inventory level for the report week.



Propane

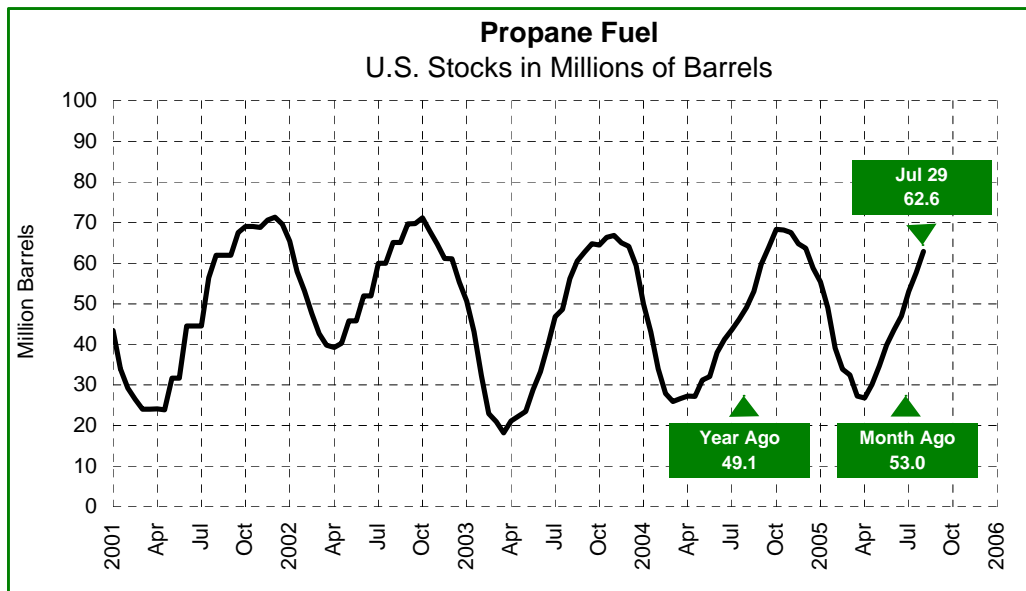
Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.40 per gallon on August 1, up 1.6 cents from a month ago, and \$0.20 or 17 percent higher than a year ago.

Propane - Residential Prices (cents per gallon)

	<u>08-01-05</u>	<u>07-04-05</u>	<u>change</u>	<u>08-02-04</u>	<u>change</u>
Missouri	140.4	138.8	up 1%	120.2	up 17%

- U.S. propane supplies increased 3.6 million barrels to an estimated 62.6 million barrels as of July 29. Last year at this time, U.S. inventories stood at 49 million barrels. Midwest supplies grew by 1.2 million barrels to 20.9 million barrels for the week ending July 29. Midwest supplies are nearly 1 million barrels higher than at this time last year. U.S. and Midwest supplies of propane are above the upper range for this time of year.



Missouri Energy Outlook – Summer 2005

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months was released on June 15 by the Missouri Department of Natural Resources' Energy Center. The Missouri Energy Outlook is available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlooksummer2005.pdf>, or copies may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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